GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Chit Fund Act, 1982 – Appeal Petition filed by Sri Athyam Chiranjeevi, S/o. Nagabhushanam, Nadigama against the award passed in Arbitration Claim Petition No.98/2018, dated 25.01.2019 by the Deputy Registrar of Chits, Vijayawada – Orders – Issued.

REVENUE (REGN.II) DEPARTMENT

G.O.RT.No. 670 Dated: 13-06-2019

Read the following:-

1. Appeal Petition filed by Sri Athyam Chiranjeevi, Nadigama, dated 16.04.2019.
2. Govt. Letter No.REGSOACTS (CHITS)/16/2019, dated: 08.05.2019.

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ORDER:-

Sri Athyam Chiranjeevi, Nandigama has filed an Appeal Petition under Section 70 of the Chit Fund Act, 1982 against the award in Arbitration Claim Petition No.98/2018, dated 25.01.2019 passed by the Deputy Registrar of Chits, Vijayawada.

2. Brief facts of the case is as follows:-

(i) The appellant herein has joined the Chit Fund Company as a subscriber in a Chit Group No.FJPT01P for a value of Rs.10,00,000/- which is payable at the rate of Rs.20,000/- per month for a period of 50 months and the appellant has participated in the chit auction held on 24.05.2013 and became successful bidder having agreed to forego an amount of Rs.4,00,000/- out of chit value of Rs.10,00,000/- and after declaring as successful bidder, the appellant submitted 2 to 7 as guarantors, who executed an agreement of guarantee and also executed demand promissory note and other necessary documents in favour of Respondent No.1 (Chit Fund Company) and the company has paid the prize amount of Rs.4,00,000/- on 18.07.2013 through cash voucher. The appellant paid only 44 installments and thereafter committed default in paying the 45th installment i.e., from 6.3.2017 onwards. The 1st respondent herein has issued a demand legal notice dated 19.03.2018 to all the opponents through their Advocate. As there is no reply, the 1st respondent filed a dispute application before the Deputy Registrar of Chits, Vijayawada and the same was numbered as Arbitration Claim Petition No.98/2018. The Deputy Registrar of Chits, Vijayawada sent notices to 1-7 respondents herein to appear before the Arbitrator/Dy. Registrar of Chits. Notices served on the respondents 2-8 and counter not filed, set exparte on 21.12.2018. The Deputy Registrar of Chits, Vijayawada passed award in ACP No.98/2018 dated 25.1.2019 in favour of the Respondent No.1 herein ordering that the company is entitled to recover a sum of Rs.1,27,218/- (Rupees One Lakh twenty seven thousand two hundred and eighteen only) jointly and severally from opponents 1 to 7 together with interest at the rate of 12% per annum on the principal amount of Rs.1,06,218/- from the date of filing of claim petition i.e., 07.04.2018 to till the date of realization and also Rs.6,590/- towards costs of the dispute.

(ii) Aggrieved by the above said award, the appellant filed the present appeal.

3. The case is posted for hearing on 10.06.2019 at 11.00 a.m. The Counsel for the Appellant and the Counsel for Respondent (Chit Fund Company) attended. Heard both the parties.

(P.T.O)

4. Government after careful examination of the material available on record, allowed the appeal and the order passed by the Deputy Registrar of Chits, Vijayawada is hereby modified. The appellant herein who is the Opponent No.1 and his guarantors who are the other opponents in ACP No. 98/2018 on the file of Deputy Registrar of Chits, Vijayawada are hereby directed to pay the Award amount of Rs.1,06,218/- (Rupees One Lakh Six thousand two hundred and eighteen only) (after waive of interest of Rs.21,000/-) along with costs of the dispute Rs.6,590/- jointly and severally within 3 months i.e., by 10.09.2019. In default, the Respondent No.1 (Chit Fund Company) who is the disputant in ACP No.98/2018 is at liberty to proceed as per Chit Fund Act,1982 to recover the award amount as decreed by Deputy Registrar of Chits, Vijayawada in ACP No.98/2018 after 10.09.2019 from the opponents.

5. In exercise of the powers conferred under section 70 of the Chit Fund Act, 1982, the Government is hereby allowed the appeal of the appellant being common understanding of both the parties and disposed of accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.D.SAMBASIVA RAO
SPECIAL CHIEF SECRETARY TO GOVERNMENT

1. The Dy. Registrar of Chits, Vijayawada.
2. M/s Kapil Chits (KOSTA) Pvt. Ltd., Moghalrajpuram Branch, Vijayawada Krishna District through the Dy. Registrar of Chits,Vijayawada.
3. Sri Athyam Chiranjeevi, S/o. Nagabhushanam, R/o. H.No. 16-28, Ramalayam Street, Nandigama, Krishna District through the Dy. Registrar of Chits, Vijayawada.
4. Athyam Madhavi D/o Satyanarayana, Resident of H.No.16-28, Ramalayam Street, Nadigama, Krishna District through the Dy. Registrar of Chits, Vijayawada.

4. Sri Dadi Chinna Kondala Rao, S/o. Raghavulu, Chinna Eye Care Centre, R/o. D.No. 16-4, Vasavi Market, Nandigama, Krishna District through the Dy. Registrar of Chits, Vijayawada.
5. Sri Prathipati Narasimha Raju, S/o. Salman Raju, R/o. H. No. 28-105, Chinna Mazeed Centre, Nandigama, Krishna District thorough the Dy. Registrar of Chits, Vijayawada.
6. Sri Parepalli Venkata Nageswara Rao, S/o. Sudarsanam, School Assistant, GVJ ZP High School (Boys), Jaggayapeta, R/o. H.No. 1-145/2, Chillakallu, Jaggayyapeta Mandal, Krishna District through the Dy. Registrar of Chits, Vijayawada.
7. Sri Amrutaluri Jyothi Govindan, S/o. Nallaiah, Teacher, ZP High School, Mangollu, Vastavai Mandal, R/o. H.No. 6-107, Seetharam Puram, Jaggayyapeta, Krishna District through the Dy. Registrar of Chits, Vijayawada.
8. Sri Tirunagari Rangacharyulu, S/o. Venkata Acharyulu, Teacher, GVJ ZP High School (Boys), Jaggayyapeta, R/o. H.No. 9-802, Balusupadu Road, Jaggayyapeta, Krishna District through the Dy. Registrar of Chits, Vijayawada.
9. Sri S.M.K.Azad, Advocate, H.No. 4-174C, Raithupeta, Opp. Petrol Bunk, Nandigama, Krishna District through the Dy. Registrar of Chits, Vijayawada.

Copy to :
The Commissioner & Inspector General, R&S, A.P., Vijayawada.
The P.S. to Spl.C.S. to Govt., Revenue (Regn.) Dept.

//FORWARDED:BYORDER//

SECTION OFFICER